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MONTANA LETTER

June 20, 1972

BUTZ TO BE CONFERENCE SPEAKER

You've probably seen this announcement earlier but we are pleased to tell you that the Secretary of Agriculture will be a featured speaker for our State ASCS Conference June 28-30 in Kalispell. Secretary Butz will speak Friday morning, June 30, at 10:00 a.m. in the Flathead County High School gymnasium.

We don't often have the opportunity of welcoming a Secretary of Agriculture to the Treasure State, so this will be an unusual pleasure. We believe it will also be the first time that a Secretary has spoken to a gathering of Montana ASC committeemen and employees.

Although we can't help but consider the Secretary's appearance as the highlight of our conference, we will have a number of other interesting and knowledgeable people talking about matters of importance to Montana agriculture.

For example, we want to discuss in some depth the grain export situation and prospects. To give us information background we will have Glenn Weir, ASCS deputy administrator for Commodity Operations, and Henry Sakomoto, manager of the ASCS Commodity branch office at Portland.

We also intend to take a long look at the feeding situation and what this may hold for the future of Montana agriculture. We'll hear from

authorities such as Leon Miller of Billings, operator of the T-Bone Feeders in Yellowstone County, and A.P. Davies, Chicago, vice president of the American Meat Institute.

Application of space technology to agriculture is one of the exciting possibilities of the future and we are almost certain that one of the Apollo 16 astronauts will be a speaker on this subject. Leo Schaefer, director of the ASCS Performance Division, will give us more details about how the

space age is already aiding our field work.



Secretary of Agriculture Earl L. Butz

Dale Helsper, our regional director, (that's the new title for area director), will also speak about current operations and we are hopeful that Elvin Person, deputy administrator

for State and County Operations, will also be able to attend and tell us about the changes in management and operations which are being made as a result of the Task Force studies begun a couple of years ago.

We do want to emphasize that the speeches by the Secretary and by the astronaut will be open to the public. We especially want to invite each of you who receive this letter to attend these parts of the Conference if you possibly can. Most of us don't have the opportunity to hear people of this stature frequently and so we hope many of you will be able to come.

LES NIELSEN RETIRES

P. L. Nielsen, assistant chief of our State office administrative section, is retiring this month after 37 years with this agency.

Les, as he is known to us, became a "temporary" employee of the Judith Basin Agricultural Conservation Association in 1935, a few days after graduating from Hobson High School. The work held out, Les's job became more permanent, and in 1938 he transferred to the State office.

From then until he entered the U.S. Army in 1942, Les was a field auditor, working with county committees and offices throughout the State. After serving with the Air Corps until 1945, he resumed ASC work as an administrative clerk and shortly became assistant chief of the administrative section.

One of Les's most rewarding assignments was service on the interagency committee which worked out the plans resulting in consolidated agricultural offices, with improved facilities, in many counties.

Les, his wife, Blanche, and sons David, Larry and Keith, were honored by a large group of co-workers and friends at a pre-retirement dinner in Bozeman. As mementos of the occasion and his years with ASC, Les received a book of letters from his friends and a metal detector to help him in his avocation of bottle digging.

Blanche and Les, accompanied by Larry and Keith, plan to spend July and August seeing eastern and southern parts of the United States as trailer tourists. When school begins they'll be back in Bozeman where Les, among other things, will be continuing as secretary-treasurer of the Bozeman Federal Credit Union, a position he has held since it was formed in 1953.



Blanche, Les and Keith Nielsen

Our thanks for many jobs well done and our best wishes for the future go to Les, and to his family, as he leaves us.

SMILEY LEAVES COMMITTEE

Dick Smiley, who has served on our State committee since April 1971, has resigned to become State director of the Farmers Home Administration.

Dick was raised on a Gallatin County farm, which he later operated, and in which he is still interested. He has also made a name in the broadcasting industry as owner and manager for 12 years of Radio Station KXXL in Bozeman. He also represented Gallatin

county for two terms in the State House of Representatives.

He has been an interested and active member of the ASC committee, concerned with the welfare of Montana's farmers and ranchers. We'll miss his counsel but we certainly wish him well in his new assignment.

INITIAL WHEAT RATE IS \$ 1.28

Set-aside payments of \$1.28 per bushel -- eight cents more than last year -- will go to participants in this year's wheat program beginning July 1.

This preliminary payment rate is approximately 75 percent of the total payment a producer may earn for complying at the minimum level with the 1972 program. On this basis, the total payment would be \$1.71 per bushel but the actual rate will not be determined until December when the average price received by farmers for wheat sold during July through November is known. The total payment will be the difference between that average and the wheat parity price as of July 1.

Final payments will be made in December.

Last year's final payment was 43 cents per bushel, making the 1971 certificates worth \$1.63 per bushel.

An eligible grower can figure his 1972 preliminary certificate payment by multiplying his program yield by \$1.28 times his allotted acres. Payment for any set-aside in addition to the minimum will be included with his preliminary payment.

While payments aren't necessarily made in the order in which compliance certifications are received, it works out about like that. The first certifications were the first ones typed up in "computer language" and sent to the Data Processing Center where payments are figured and

checks are written by machine. Those certifications made in May and early June have been processed and will be ready first. Later certifications will be processed as rapidly as possible but there may be some slight delay in making payments.



James C. Eggen, Lewis and Clark County executive director, gets his tassel properly arranged by wife, Josie, in preparation for commencement at Carroll College. Jim received a Bachelor of Arts degree in accounting with a minor in business administration.

He began his college studies in the fall of 1968, using lunch hours, nights and annual leave to fit classes into his full-time ASCS schedule. Jim became executive director of the Helena office in January 1968 after nearly five years as Glacier County director. He began his career with ASCS in 1957 as a supervisor in the Stillwater County office.

I'm sure all of us join in congratulating Jim on his achievement and wishing him continued success.

* * * * *

Farming is exceeded only by mining and construction as a hazardous industry.

BRUNTHAVER MOVES UP

Carroll G. Brunthaver, who has been serving as associate administrator of ASCS since February 1969, has been nominated to be Assistant Secretary of Agriculture for International Affairs and Commodity Programs. He would also serve on the board of directors of Commodity Credit Corporation.

In both positions, Brunthaver would succeed Clarence D. Palmby, who has resigned to re-enter private business. He would be responsible for coordinating and supervising the activities of ASCS, as well as the Federal Crop Insurance Corporation, Foreign Agricultural Service, Export Marketing Service and Commodity Credit Corporation.

Carroll became known to many Montanans earlier this year when he addressed the Montana Farm Forum at Shelby.

He has taught agricultural economics at Ohio State University and Michigan State University, directed research for the Grain and Feed Dealers National Association and been associate director of research for Comco, a firm engaged in exporting agricultural products.

CERTIFICATIONS DUE JULY 3

We hate to belabor the point, but July 3 (because July 1 falls on Saturday) is the final day to certify compliance with this year's wheat and feed grain set-aside programs. Persons who don't certify by that date will be ineligible for payment even though they may have enough set-aside acres, sufficient conserving acreage and a signed intention to participate.

We don't want this to happen to anybody, and it doesn't need to happen to anybody. Make your certification by Monday, July 3, or if you have a special problem that you believe prevents certification, go to your county office

and talk it over with the personnel there.

We had a record signup and we want to have record participation, too.



Unusually high water with flooding along the Bitterroot River and its tributaries in Ravalli County has caused considerable damage to farmland and irrigation systems. The Ravalli ASC committee has asked for emergency assistance to provide cost-sharing for restoration work. Considering the damage and methods of repairing it when I (left) met with them recently were: (from left) Robert Nicholson, vice chairman; Pete Leonardi, chairman; Fred Thorning, member; and George Pfau, alternate.

Serious damage from flooding has also been reported along the Big Hole and Jefferson Rivers in Madison County.

YOUNG IS OUR ASTRONAUT

Now it can be told.

When we prepared the first page of this letter the official announcement had not been made so we couldn't tell you that the astronaut who would attend our conference will be John W. Young, commander of the Apollo 16.

The Apollo 16 mission, the fifth manned landing on the moon, occurred between April 16 and 27, 1972. Captain Young and Colonel Duke spent 71 hours and 12 minutes on the moon, a new record.

They made the first landing and exploration of the lunar highlands and spent 20 hours and 14 seconds, also a record, out of the lunar module exploring the moon's surface.

Captain Young, a Navy test pilot, has been an astronaut since September 1962. He was co-pilot for the first manned Gemini flight on March 23, 1965, and command pilot for the Gemini 10 mission in July 1966. He also was command module pilot in May 1969 for Apollo 10. The lunar orbital qualification test



of the Apollo lunar module which descended to within 8 nautical miles of the moon's surface.

We are certainly looking forward to having Captain Young on our program and

and we hope many of you will find it possible to be there and help us welcome him to the Treasure State.

CCC BINS TO BE SOLD

Some years back, when our programs provided greater incentives for production, export programs were smaller, and there was less commercial storage, government-owned bins were built in many areas to store grain delivered to Commodity Credit Corporation which could not be stored in commercial elevators. At the high point we had 84 bin sites throughout the state, with a total capacity of 17.5 million bushels.

Curing the last decade a great many of these have been sold as the patterns of production, storage, transportation and distribution have changed. State committees over the years have periodically evaluated the needs for storage in areas where bins are located and considered recommendations of county committees for disposal or retention

of bin sites. At the present time we have 25 sites with 1,245 bins, a capacity of about 4 million bushels.

Continuing to evaluate our needs, we have decided that some of the bins which have not been used for storage of government-owned grain for some years should be considered for sale. Therefore, we will offer for sale the following bins:

<u>Site</u>	<u>County</u>	<u>Number of Bins</u>
Hogeland	Blaine	44
Geraldine	Chouteau	44
Denton	Fergus	46
Cut Bank	Glacier	33
Valier	Pondera	45
Malta	Phillips	30
Power	Teton	30

The sale at Geraldine will be Wednesday, June 21, and the sale at Power will be Thursday, June 22. Dates for other sales are expected to be early in July. Local publicity will be given.

Bins will be offered at public auction on an "as-is where-is basis." The purchaser must certify in writing that the bin(s) will be used for storage or handling of agricultural commodities produced and stored in the United States. Bins may be financed under the facility loan program if the buyer brings to the sale a Certificate of Eligibility from his ASC county committee.

* * * * *

"We need to help the great consuming public understand the true nature of the miracle of food, and the real values their dollars are buying in terms of safe food, improved food, well-packaged food, food processed to save the housewife hours of drudgery in the kitchen."

- Secretary of Agriculture Earl L. Butz

WHEAT ALLOTMENT REDUCED

Our State wheat allotment will be reduced next year but the loss will be less than the 5 percent national cut. The figures are 1,347,504 acres for 1973 compared with 1,410,495 this year, a 4-1/2 percent reduction.

But a reduction in allotment has much less impact than it had in years prior to the Agricultural Act of 1970. Allotments no longer limit the acreage of wheat a producer may grow. They serve now as a base for determining the number of acres to be set aside from production and for calculating the wheat certificates a participant in the set-aside program may earn.

Nationally, the 1973 yield has been increased to 31 bushels per acre from 29.8 which offsets the acreage reduction and means that certificates will be issued on about 535 million bushels of wheat, approximately the same as this year. This is the bushelage required to meet domestic food needs.

Montana's yield for 1973 has not yet been announced (it is 29.1 bushels this year) so we don't know yet how the allotment change will affect Montana producers.

Set-aside percentages and other major provisions of next year's wheat program are under consideration this week. Secretary Butz has

summoned his National Advisory Committee on Grains to meet today and State ASC committeemen from wheat states will confer in Washington Thursday. We'll

be represented at both meetings -- Charles B. Anderson, president of the Anderson Grain Company of Great Falls, is a member of the advisory group, and Roy Killenbeck of our committee will attend the Thursday meeting.

Major details of the 1973 wheat program will be announced as early as possible so winter wheat producers will have time to plan their farming operations for 1973.

BEE CHANGES

Several changes in beekeeper indemnity program provisions have been announced following consideration of comments received on the proposed rule changes.

A major change requires beekeepers, as a condition of eligibility for indemnity, to file by July 15 of each year a statement specifying the total number of bee colonies at each apiary.

Applications for indemnity payment must be filed not later than April 1 of the year following loss.

ASCS county offices have more detailed information for those interested.

Wheat Leaders

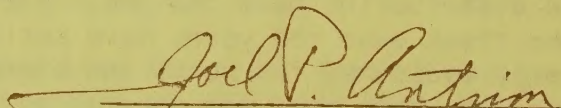
If you had to pick the 10 leading wheat producing nations for 1971, would you include Mainland China and India? These two ranked third and fourth, respectively, after the USSR and the U.S.

Others in order were France, Canada, Turkey, Italy, Australia, and West Germany.

If this list seems surprising, it may be you were misled by the traditional images of countries and their positions as wheat exporters (or importers) in the world grain economy.

Australia, for example, has a vast wheat area. It's also one of the world's chief wheat exporters, yet it placed only ninth in 1971 as a wheat producer. Domestic demand provides a clue to this anomaly. By comparison to its production, Australia's domestic needs for wheat are small, and thus it turns to foreign demand for a marketing outlet.

Mainland China and India are thought of as rice consumers, as well as major wheat importers. But they're by far the world's most populous nations. Even their large wheat output cannot meet the heavy domestic demand for food supplies, and they've needed to import wheat to relieve the pressure.


Joel P. Antrim, Chairman
Montana State ASC Committee
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